HUD newsletter
U.S. Department of Housing and Urban Development
Washington, D.C. 20410 (202) 235-1307

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Current Trends

Unemployment in the construction trades declined slightly in August... to 19.9 percent from 20.8 percent in July... according to the *Labor Department*. This compares to a rate of 11.3 percent in August 1974. The overall national unemployment rate for all industries remained the same in August as in July... 8.4 percent. Employment in contract construction rose by 45,000 in August... as a result of the settlement of several strikes. Unemployment in the construction industry rose from 502,000 in August 1974 to 907,000 in August 1975.

Delinquency and foreclosure rates showed substantial improvement in the second quarter... ending June 30... the ***Mortgage Bankers Association*** *Delinquency Survey* showed. The serious delinquency rate (90 or more days) dropped from .51 percent to .47 percent... for all loans and remained unchanged at .31 percent for conventional loans. Declines were reported for ***HUD/FHA-VA*** loans during the quarter... but ***HUD/FHA***-subsidized mortgage delinquency rates continue high.

The *FHLBB* has announced that interest rates on conventional home mortgages rose slightly from early July to early August. The average effective interest rate on conventional loans closed for purchasing newly-built homes increased by 2 basis points to 8.91 percent. The average rate charged on loans closed for purchasing previously-occupied homes rose to 9.14 percent... a 6-basis-point advance. These moderate rate rises appear to continue to reflect prior increases in rates at which major mortgage lenders were making commitments for future lending. These, in turn, were caused by rising open market interest rates, a moderate firming of monetary policy, and a slight slowdown in savings flows to major mortgage lenders.

GNMA has issued $297.6 million of mortgage-backed securities. The 7¼ percent 30-year securities were awarded at a price of 85.8161 and are being reoffered at 86.25 to yield 9.21 percent to the investor. The securities are the seventh issued under ***GNMA's*** revised mortgage disposition program. The last auction... held in mid-July... resulted in a price of 90.8851 to ***GNMA***. The securities were reoffered at 91.375 to yield approximately 8.45 percent.

The *Census Bureau* has released its estimate of the July 1, 1975 U.S. population. The figure is 213,631,000... an increase of 1,737,000... 0.8 percent over July 1, 1974... and 166,000 over the June 1 estimate. The July figure is 9.3 million above the last *Decennial Census* on April 1, 1970.

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Publication Available

A Guide for Codes Adoption and Codes Enforcement... a compilation of a series of 10 articles published in the *Southern Building Magazine* during 1973 and 1974. Directed primarily toward local elected officials. **Single copies available free from the *HUD Regional Office*,** Office of the Assistant Administrator for Community Planning and Development, 1371 Peachtree St., N.E., Atlanta, Georgia 30309.

Ford Foundation Grants

Different ways of preserving the stability of racially-mixed neighborhoods will be tried across the country under a series of programs announced by the *Ford Foundation.* Grants for the projects... totaling $270,600... were made to groups in Philadelphia, New York City, Richmond, Va., and Rochester, N.Y.

National Neighbors,* 17 Maplewood Mall, Philadelphia 19144...** $154,000 over 2 years, to continue efforts to strengthen interracial neighborhoods. ***National Neighbors was founded in 1970 to combat practices that result in racially-segregated neighborhoods such as panic selling, racial steering by real estate agents, and denial of mortgages by banks *(red lining)* in transitional areas.

***United Neighborhood Houses of New York,* 63-62 Saunders St., Forest Hills, N.Y. 11374...** $45,000 over 2 years, for a range of social services intended to help maintain stability in a community recently bitterly divided over a proposed high-rise public housing project.

***Housing Opportunities Made Equal (HOME),* 503 E. Main St., Richmond, Va. 23219...** $21,600 over 18 months, to help organize an experimental variable-rate mortgage program (in which monthly payments are geared to changes in family income) for interracial neighborhoods in Richmond.

***Nineteenth Ward Community Association,* 447 Genessee St., Rochester, N.Y. 14611...** $50,000 over 2 years, to help preserve the ethnic and racial diversity of the area by mounting a community education program aimed at stemming the drop-off in white enrollment in the ward's junior and senior high schools.

At the same time the *Foundation* announced grants totaling $300,000 for the rehabilitation of housing in New York City and San Francisco as a means of revitalizing older neighborhoods and preventing community deterioration. The grants are:

Lutheran Medical Center* (New York City), 4520 4th Ave., Brooklyn 11220...** $100,000 over 1 year, to enable the ***Sunset Park Redevelopment Committee (SPRC)... the hospital's community partner... to continue the rescue and rehabilitation of abandoned housing in a multiethnic Brooklyn neighborhood.

San Francisco Development Fund,* 57 Post St., San Francisco 94104...** $50,000 over 2 years, for the fund's ***Housing Conservation Institute, which will organize a demonstration program aimed at preserving moderate-income neighborhoods.

Association of Neighborhood Housing Developers,* 105 E. 22nd St., 7th Floor, New York 10010...** $150,000 over 18 months, to expand technical assistance and training services to some 20 housing groups that make up the ***Association's membership. All the groups are engaged in preserving low- and moderate-income housing in various neighborhoods throughout New York City.

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Building Material Prices Remain Fairly Stable

Wholesale prices for all industrial commodities increased .6 percent in August... the *Labor Department* reported... but prices for major building materials remained relatively steady for the second consecutive month. Most of the building materials included in the ***Labor Department*** *Wholesale Price Index* rose within a .1 to .2 percent range.

Within the building materials category... there were increases of 2.2 percent in wholesale prices of floor coverings, 1.7 percent in gypsum products, .8 percent in flat glass, and .5 percent in lumber. At the same time... wholesale prices for plywood dropped 1.5 percent, and asphalt roofing declined 1 percent. Compared to August 1974... wholesale lumber prices were down 4.3 percent and plywood prices were up 2.2 percent. The 12-month percentage increases were most marked in paint (12.6)... hardware (14.6)... machinery and equipment (14.2)... household appliances (11.9)... structural clay products (10.9)... and concrete ingredients (13).

CITYSCALE Program Announced

The *National Endowment for the Arts Architecture + Environmental Arts Program* has announced *CITYSCALE*. . . the third in a series of *National Theme* programs. The ***Endowment*** is seeking applications from State and local governments and from organizations whose projects clearly have affiliation with and support of these units of government to undertake projects aimed at assisting communities improve their visual character. The goal of *CITYSCALE* is to help in the design and promotion stages of projects in order that actual implementation may be achieved.

In 1973. . . *Architecture + Environmental Arts* initiated its first *National Theme* . . . *CITY EDGES*. . . emphasizing design and planning problems relating to urban boundary conditions. *CITY EDGES* grants were awarded to 37 projects representing communities across the country and featuring "edges" ranging from waterfronts to highways and historic edges.

The 1974 and 1975 programs were combined for a second *National Theme*. . . *CITY OPTIONS*. 148 grants totaling over $3 million under this program supported projects concentrating on special settings within cities that provide distinctive character and identity.

For Fiscal Year 1976 the theme. . . *CITYSCALE*. . . will focus on those design elements in our cities and towns which enhance their habitability and human scale . . . benches, street lights, signs, plantings, pavings, and many more. Grants generally will be awarded for a maximum of $50,000 with a matching requirement at least equal to the amount requested from the ***Endowment***.

Application for Federal Assistance **forms may be obtained from *Architecture + Environmental Arts, National Endowment for the Arts*, Washington, D.C. 20506. Submissions must be postmarked no later than November 3, 1975.**

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Solar Energy Meeting Scheduled

HUD* is one of the co-sponsors of a *Conference on Standards for Solar Heating and Cooling* to be held in Philadelphia on October 14-15.** Other sponsors are the ***American Society for Testing Materials; American National Standards Institute; American Society of Heating, Refrigerating, and Airconditioning Engineers; American Society of Mechanical Engineers; Department of Defense; Edison Electric Institute; Energy Research and Development Administration; Federal Energy Administration; National Aeronautics and Space Administration; National Bureau of Standards; and the ***Solar Energy Industries Association***.

The purpose of the conference is to organize a standards system for incorporation in the performance criteria now being prepared for issuance by ***HUD***. These criteria are an essential element in stimulating a commercial capability to produce and distribute solar heating and cooling systems.

Additional information is available from Walter V. Cropper, *ASTM*, 1916 Race Street, Philadelphia 19103 (215/299-5478).

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National Savings League Elects

Arthur Tonsmeire, Jr., Chairman and President of the *First Southern Federal Savings and Loan Association* of Mobile, Ala., and D.D. McClatchy, President of the *Olney Savings Association*, Olney, Texas, have been elected President and Vice President, respectively, of the *National Savings and Loan League* for 1976.

Tonsmeire. . . who has been serving the League during the past year as Vice President. . . succeeds Edwin G. Alexander, President of ***Majestic Savings and Loan***, Denver, Colorado, in the top executive position.

McClatchy, who has been the ***League's Legislative Committee*** Chairman during the last year, has been associated with ***Olney Savings*** for 24 years.

FYI

Architectural Record. . . Conference: *Resources 76*. . . Chicago, October 27-30. **Registration: *University of Chicago Center for Continuing Education Resources 76*, Conference Registration, 1307 East 60th St., Chicago, Ill. 60637 (312/753-3185)**

National Economic Development Law Project of the University of California, Berkeley. . . 3-day National Training/Workshop Conference on housing and community development opportunities for Community Development Corporations. . . San Francisco, October 29-31. Major areas include: Strategies for Urban and Rural CDC Involvement under the *HCD Act of 1974*. **Registration: Ms. Margaret Baker, *National Economic Development Law Project*, 2313 Warring St., Berkeley, California 94704.**

American Institute of Real Estate Appraisers. . . Annual Convention. . . San Francisco, November 6-13. **Contact: Marge Jorgensen, *AIREA*, 155 E. Superior, Chicago, Illinois 60611.**

National Leased Housing Association in cooperation with ***HUD***. . . Section 8 Practitioner's Workshop. . . a 1-day seminar in processing under the Section 8 Leased Housing Program. . . **New York City, November 5; Washington, D.C., November 12; Chicago, November 14; Dallas, November 19,** and **San Francisco, November 21.** Section 8 practitioners and ***HUD*** Headquarters, Regional, and Area personnel will focus on problems encountered in processing Section 8 new construction and existing unit projects, the degree to which the Housing Assistance Plans are affecting ***HUD's*** allocation of units, the development of techniques for local agency financing under Section 8, conversion of Section 23 to Section 8, and other issues relevant to the housing practitioner. **Details: *NLHA*, 1025 Connecticut Ave., N.W., Suite 707, Washington, D.C. 20036 (202/833-2327)**

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